(e) whether Government would take steps to fix the quota of tobacco being grown in Karnataka to 60 million kgs. during the year 2002-03?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY): (a) Over 47,500 hectares was cultivated under Flue Cured Virginia (FCV) tobacco during 2001 -02 crops season.

(b) Around 58 million kgs. of FCV tobacco was marketed during 2001 -02 seasons.

(c) to (e) The Production Committee of theTabacco Board had initially fixed the crop size at 42.08 million kgs. The Board has since increased the same to 50 million kgs. in response to the changed market situation.

Crises in tea industry

1804. SHRI J. CHITHARANJAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the steps Government have taken to solve the serious crises in the tea industry arising out of the fall in the price of tea;

(b) whether Government intended to reduce excise duty;

(c) whether Government would stop the import of tea and increase the import duty on tea to 300 per cent;

(d) whether Government would declare a moratorium for the loans taken by the tea cultivators, other than big plantation companies; and

(e) whether Government propose to write off loans upto Rs. 50,000 taken by the tea cultivators?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY): (a) and (b) As the present crises in the tea plantation industry is on account of unremunerative price for tea, Government of India have taken a number of steps to help the tea industry, which include the following:—

- Excise duty on tea has been reduced from Rs. 2 per kg. to Rs. 1 per kg. in the Budget 2002-03.
- The allowance under Section 33 AB of Income Tax Act has been increased from 20% to 40 % in the Budget 2001 -02.

- A Quality Upgradation Programme is being implemented by the Tea Board for improving quality of tea manufactured by small growers in the country.
- Tea Marketing (Control) Order, 1984 has been modified to remove the condition of obligatory sale of 75% of tea production through public tea auctions. The producers of tea are now free to sell their teas anywhere.
- Tea Board is implementing a medium term export strategy on tea prepared in consultation with M/s. Accenture.The strategy is being implemented in closed coordination with the tea industry.
- The basic customs duty on import of tea has been increased from 70% to 100% as announced in the Budget of 2002-03.
- As part of the Medium Term Export Strategy, a communication campaign to promote Indian tea and the logo developed by Tea Board has been launched in Russia recently.
- A factory upgradation scheme has been implemented by the Tea Board to encourage production of good quality orthodox and non reconditioned CTC (crush-tear-curl) teas in the country.
- Government has also provided financial incentives to the exporters of tea for meeting part of cost of handling, packaging, transport/freight charges.
- The sale of tea in the Domestic Tariff Area by 100% Export Oriented Units (EOUs) and units in Export Processing Zones (EPZs) is banned.
- A Generic promotion campaign has been launched for improving the consumption of tea within the country.
- A relief package has been announced by the Reserve Bank of India, which provides for restructuring/reschedulement of the loans outstanding in the tea sector from the commercial banks etc.

(c) No, Sir. Tea is imported into India mainly for the purpose of reexport after value addition. The quantum of tea imported is only about 2%

of the domestic production of tea and as such the import of tea does not have an adverse effect on the domestic tea industry. In order to protect the domestic tea industry, the Government has increased the import duty on tea to 100% in the Budget fo 2002-03.

(d) A relief package has been announced by the Reserve Bank of India, which provides for restructuring/reschedulement of the loans outstanding in the tea sector from the commercial banks etc.

(e) No, Sir.

Export of Steel and Iron Ore

1805. SHRI P. PRABHAKAR REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that export of steel and iron ore to China is on the decrease for the past sometime;

(b) if so, the details thereof, including the figures both in value and quantity terms for the last five years, year-wise;

(c) the steps proposed to boost steel export to China in the coming years; and

(d) whether besides China, Indian steel has any demand in the International market and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY): (a) and (b)The details of India's exports of Iron ore, Iron and Steel bars/roads etc. and Primary and Semi-finished steel to China for the last five years are as under:

Item	Year	Value (Rs. Lakhs)	Quantity (in Metric Ton)
Iron Ore	1997-98	36239.34	6607.01
	1998-99	36931.55	4920.26
	1999-2000	35241.53	4109.36
	2000-2001	59366.24	6096.43
	2001-2002*	98653.03	10704.61
	2001 (April-June)*	20795.41	2296.73
	2002 (April-June)*	37841.42	4217.12

SOURCE: DGCI&S, Kolkata
*Provisional